



2019 CONFERENCE ON
LAND POLICY IN AFRICA



Nuancing narratives on Large Scale Agriculture Investments labor market effects in Sub-Saharan Africa

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Context:



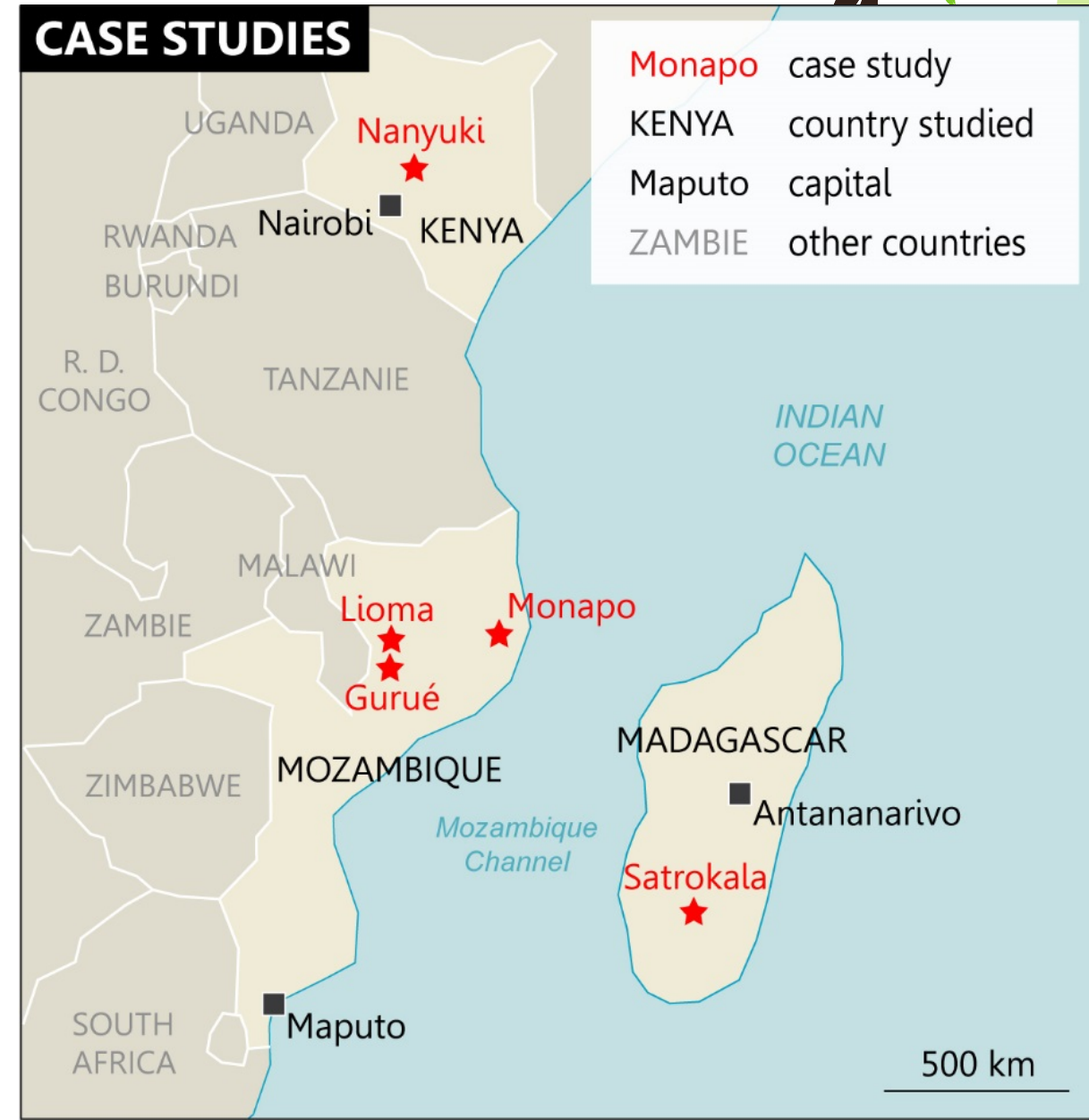
- ▶ Employment in Sub-Saharan Africa => **375 million young actives will enter the labor market in the next 15 years.**
- ▶ Debate on Large Scale Agricultural Investment (LAI) & jobs creation
- ▶ Need of information based on several cases
- ▶ Need to overcome simplistic narratives on LAI labor and other socioeconomic impacts

Research question

- ▶ What are the direct impacts of LAIs in terms of jobs creation ?
- ▶ Who get the jobs?
- ▶ Originality of the research : to analyze labor impact both on the supply and demand sides

3 countries: 3 contrasting contexts, with different levels of agricultural investments

- ▶ Kenya: Nanyuki area = many longstanding investments, notably in the horticultural sector
- ▶ Mozambique: Nacala corridor = high number of new investors present thanks to pro-investment policies
- ▶ Madagascar: lots of projects announced, 95% collapsed and only few companies have continued : [2000-2017 period]



impacts on labor supply

Quantity and quality of jobs created?

Production models and contexts matter

Data Collection



Agricultural farms	MOZAMBIQUE study area	KENYA study area	MADAGASCAR study area
# Companies (inventory)	25	64	95
# interviewed companies	14	34	20
# Retained for assessment	13	33	1 (still active)

Table 1 : companies' census in study areas according to country. sources Cetrade and CDE, ILC and Cirad, Malgasy Land Observatory

Quantity of created jobs per company (2016)

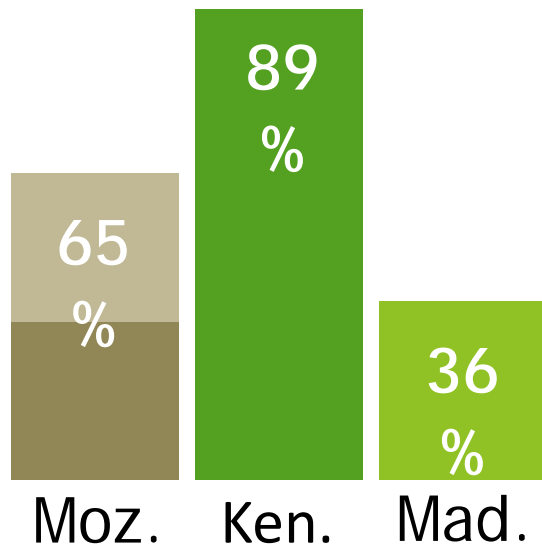
	MOZAMBIQUE	KENYA	MADAGASCAR
Nb of companies assessed	13	33	1
Permanent jobs (PJ)			
Average PJ /company	94	165	95
Temporary jobs (TJ)			
Average TJ / company	456	71	200
Households			
Nb of HH in the study area	162 000	200 000	1 000
% potentially impacted HH	5%	3,5%	30%

Quantity of created jobs depend on production model

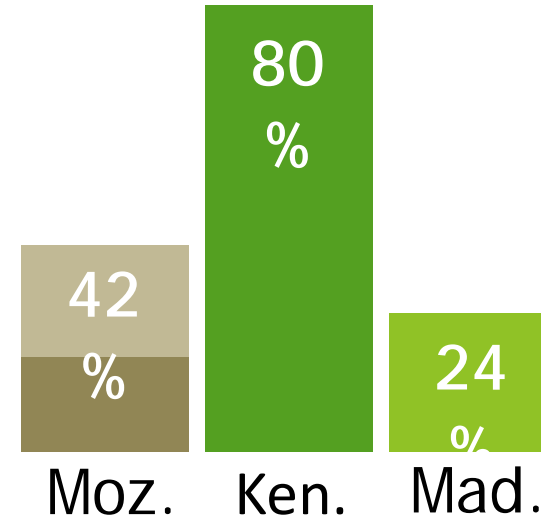


		Area cultivated /farm	Mechanization	Processing	Nb of Perm/ 100 ha	Nb of Temp/ 100 ha
Vegetables /mixed	Roses	21 - 33	Partial	yes	210	225
			no		1740	220
Cereal	Maize Soybean (moz) Maize Soybean (mada)	950 - 3 500	yes	no	6	1
Maize Soybean (moz)					6	22
Maize Soybean (mada)					3	4
Sisal	Tea Meringa, macadamia.	1500 - 2000	no	yes	1	40
Tea					9	71
Meringa, macadamia.					12	4

Quality of jobs depends on company and local context



% of permanent workers



% with formal contract

Attractiveness of jobs depends on local context



	MOZ - 3 cases	KENYA - Nanyuki	MADA - Satrokala
Level of remuneration per day (local unit)	MNZ	KS	MGA
Agribusiness jobs	80 to 120	320	7 500
Non-agriculture employment*	80 to 220	420	3 500
Self employment	90 to 100	250	2 900

LAIs vs family farming : job created per 100 cultivated hectare



Commercial farms Kenya

Family farms Kenya

Area cultivated /farm	crop	Nb of PJ/ 100 ha	Nb of TJ/ 100 ha	Area cultivated /farm	crop	Nb of PJ/ 100 ha
31	Veg	210	225	1,02	Mixed - veg	212
23	Roses	1740	220	1,07	Mixed	160
952	Cereal	6	1	1,07	mixed	160

LAI labor impacts on the demand side

Who benefit from the jobs?
Differentiated workers and household
profiles

Data Collection

Households livelihoods survey

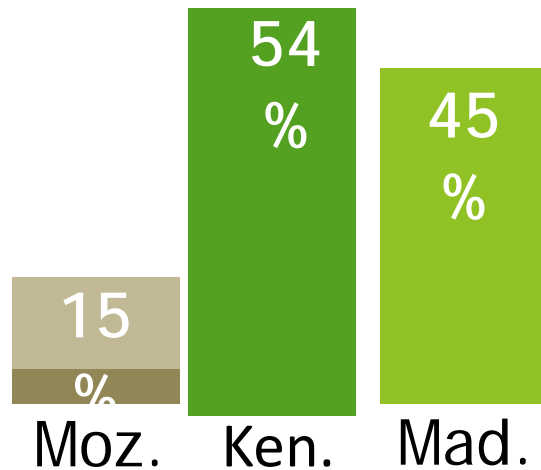
500 to 600 HH per study area

in factual and counterfactual zones

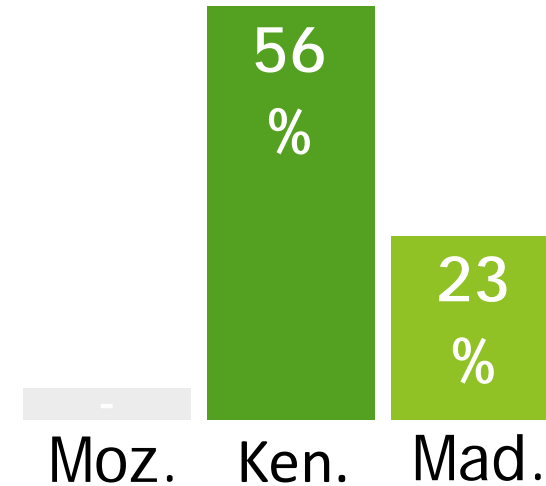
Households were randomly selected

Jobs opportunities for women ? Yes.

% of female workers



% of female permanent workers



In most cases, **only 1 member** in the household is working for an agribusiness.

- **Kenya:** women represent half of the (permanent) workers ;
- **Madagascar:** women represent half of the workers but only 23% of the permanent;
- **Mozambique:** women are seldom employed as workers.

Jobs opportunities for migrants ?

Yes but specially far migrants

- Majority of workers are migrants : 80% (Kenya & Mada); 50% (Moz)
- Coming from neighboring localities (Kenya), from remote localities (Moz & Mada)

Jobs opportunities for the ones who lost land?

- ▶ In Kenya: no HH lost land in the studied area - roses and vegetable farms used former private land already allocated to commercial farms
- ▶ In Mozambique: 22 to 45% of the HH lost land (farmers used to occupy former state farm or customary land)
- ▶ In Madagascar: 8% of HH lost land - mainly large grazing land for cattle
- ▶ In Madagascar and Mozambique: HH who lost land benefit less from jobs than other HH

To conclude....on agricultural models and public policy



- ▶ policy orientations toward:
 - ▶ labour intensive business model choices ;
 - ▶ imposition of minimum labor conditions/ wage ;
 - ▶ **Quantity and quality of LAI jobs do not justify displacement of farmers**